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HAROLD LEGGETT, PH.D.
SECRETARY

State of Louisiana

DEPARTMENT OF ENVIRONMENTAL QUALITY

ENVIRONMENTAL SERVICES

JUN 06 2008

CERTIFIED MAIL 7008 0150 0003 4519 5749 **-RETURN RECEIPT REQUEST**

File No.: LA0118389

AI No.: 108518 Activity No.: PER20010001

Mr. Mark Weatherly, Environmental Coordinator
Southern Bay Operating, LLC
Bayou Bouillion Field Production Facility
110 Cypress Station Drive, Suite 220
Houston, Texas 77090-1629

RE: Notice of Intent to Terminate Louisiana Pollutant Discharge Elimination System (LPDES) permit (LA0118389) originally issued to Hilcorp Energy Company on March 11, 2004 and transferred to Southern Bay Operating, LLC on March 1, 2005. Southern Bay Operating, LLC is an existing oil and gas exploration, development, and production operations facility located in Bayou Bouillion Field (Latitude 30°16' 21.9", Longitude 91°38'11.3"), approximately 3 miles east of Butte LaRose, Louisiana, St. Martin Parish.

Dear Mr. Weatherly:

This Office received a LPDES Request for Termination form dated August 9, 2007, requesting the termination of LPDES permit LA0118389. According to our records, LPDES permit LA0118389 was effective on March 15, 2004, with an expiration date of March 14, 2009. It is understood that the Bayou Bouillion Field Production Facility of Southern Bay Operating, LLC permanently eliminated all discharges on June 26, 2007. This Office has made a tentative decision to terminate LPDES permit in accordance with LAC 33:IX.2907.A.4.

This Office will publish a public notice one time in a local newspaper of general circulation and the Office of Environmental Services Public Notice Mailing List. A copy of the public notice containing the specific requirements for commenting to this Notice of Intent to Terminate will be sent under separate cover at the time the public notice is arranged. In accordance with LAC 33:IX.6521.A, the applicant shall receive and is responsible for paying the invoice from the above mentioned newspaper. LAC 33:IX.6521.A states: "...the costs of publication shall be borne by the applicant."

Should you have any questions concerning any part of the NOTICE OF INTENT TO TERMINATE, or public notice requirements, please feel free to contact Jenniffer Sheppard, Office of Environmental Services, at the address on the bottom of this page, or by telephone

Southern Bay Operating, LLC / Bayou Bouillion Field Production Facility

RE: LA0118389, AI 108518

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(225) 219-3138. To ensure that all correspondence regarding this facility is properly filed into the Department's Electronic Document Management System, you must reference your Agency Interest (AI) number 108518 and LPDES permit number LA0118389 on all future correspondence to this Department, including Discharge Monitoring Reports.

Sincerely,



Jesse Chang
Environmental Scientist Manager
Industrial Water Permits

jls

Attachment(s); Statement of Basis

c: Acadiana Regional Office
Office of Environmental Compliance

ec: Jenniffer Sheppard
Scott Guilliams
Water Permits Division

IO-W File

For Public Notice
Public Participation Group
Office of Environmental Assistance